GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4165
ANSWERED ON:19.04.2002
USE OF CREDIT LINE BY SRILANKA
SULTAN SALAHUDDIN OWAISI

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Srilanka has not used full potential of the first tranche of US $ 45 Mn of the US $ 100 Mn credit line granted by the Indian Government;

(b) if so, whether utilization is not up to the satisfaction of the donor and Srilanka has used only 18 Mn since signing the agreement;

(c) if so, when this agreement was signed between the two countries;

(d) the main items imported by Srilanka from India under this agreement;

(e) whether there is any pre-condition to utilize the full amount prescribed for the year;

(f) if so, whether any discussion have been held between the two countries for proper utilization of the fund; and

(g) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) Yes Sir.

(b) The recipient country of a Government of India line of credit utilises the credit as per their convenience. Although, it is expected that the recipient countries will utilise the amount within a particular time frame, normally, the time limit is extended in accordance with the request from the Government of the recipient country.

(c) The credit agreement was signed on 29.1.2001.

(d) Rice and buses have been exported so far.

(e) No, Sir

(f)&(g):High Commission of India in Colombo have held discussions with various Sri Lankan Ministries including, inter-alia, the Ministry of Finance & Planning, Ministry of Foreign Affairs, Ministry of Rehabilitation, Resettlement and Refugees, Bank of Ceylon and other authorities and interested parties for proper utilisation of fund.